ALASKA ECONOMIC TRENDS

AK'S 13,467 OTHER EMPLOYERS

EMPLOYMENT SCENE

August 1991

THE TRENDS 100—
ALASKA'S LARGEST PRIVATE EMPLOYERS IN 1990

ALASKA DEPARTMENT OF LABOR

WALTER J. HICKEL, GOVERNOR

ALASKA ECONOMIC
TRENDS

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Alaska Economic Trends is a monthly publication dealing with economic-related issues of Alaska. Opinions and analyses expressed by guest authors may not be consistent with those of the Alaska Department of Labor.

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The *Trends* 100 — Alaska's Largest Private Employers in 1990

By Holly Stinson

Alaska's economy showed strong growth in 1990, and the 100 largest firms in the state led the way. Alaska's Top 100 firms enjoyed a higher growth rate than the overall economy: 5.3% for the *Trends* 100 vs. 4.4% overall. Although these 100 largest employers represent less than 1% of the private employers in Alaska, they account for 30% of total private sector wage and salary employment.

This is the fifth year we have compiled a list of Alaska's largest employers. (See Table 1.) ARCO Alaska, one of the major oil producers on the North Slope, has been at the top of this list each year. Carr Gottstein (which includes Carrs grocery stores) follows in the number two spot this year. They have been in this spot each year except 1989 (when oil spill cleanup employment pushed VECO into that rank).

Providence Hospital and BP Exploration (another major producer on the North Slope) are consistently near the top of the *Trends* 100, also. In spite of the deep recession of 1986-88, Alaska's largest employers are a durable group. Only 12 of the first 50 firms on this year's list did not also appear on the original *Trends* 50 list compiled in 1986.

Size and growth vary among employers

This year's *Trends* 100 list includes employers varying in size from nearly 3,000 employees down to 208. We could almost call this group the "200+ Club." There are only six firms not included in the *Trends* 100 who have over 200 employees on an annual average basis. (See shaded box at end of article for explanation of annual average calculation.)

Several businesses showed employment growth of 30% or better in 1990. Table 3 shows the ten firms which moved up 15 or more rankings from 1989's *Trends* 100. Reasons for their growing employment vary. The two mining operations included in the table only reached full operation in 1990. Others, such as All Alaskan Seafoods and Federal Express, enjoyed tremendous growth as the scope of their operations expanded. Some simply rode the waves of the economic recovery, especially those doing business with the oil industry (Alaska Petroleum Contractors, Earth Movers, and Peak Oilfield Service).

Trends 100 payroll grows less than employment

Total payroll for the 100 employers on our list grew only 2.3% in 1990. This compares to employment growth of 5.3%. The high oil spill cleanup wages of 1989, magnified by additional overtime hours, went a long way toward inflating total payroll for 1989's *Trends* 100. Extraordinarily high payroll in 1989 makes 1990's modest increase of 2.3% look sluggish.

One cleanup contractor, Norcon, ranked 21 in last year's list. They do not appear on 1990's list. Another, VECO, dropped from the number two to the number four spot in employment. Their payroll, however, is less than half of 1989's. These two firms alone put a damper on payroll for 1990; other *Trends* 100 enterprises might have similarly affected the 1989 vs. 1990 wage comparisons. Judging from the overall gain of 2.3% however, some *Trends* 100 firms managed to make up for those missing $16.69/hour spill cleanup jobs and then some.

The average monthly wage paid by *Trends* 100 employers dropped from $2,996 in 1989 to $2,921 in 1990. Again, the inflated wages associated with spill cleanup in 1989 are to blame. Ignoring the jump in 1989 and going back to 1988, the average monthly wage has increased 11.5% in two years. The *Trends* 100 this year continued their tradition of paying higher average wages than the total private sector, which paid an average monthly wage of $2,358 in 1990.

We would like to thank the 100 employers in this article for their cooperation, which made this article possible.

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T a b l e • 1

Alaska's Top 100 Employers

(based on 1990 average employment)[a]

Rank	FIRM NAME	Employment	Headquarters or Largest Worksite	Business Activity
1	ARCO Alaska	2,909	Anchorage	Oil & Gas Production
2	Carr Gottstein Foods [b]	2,813	Anchorage	Retail-grocery
3	Providence Hospital	1,760	Anchorage	Hospital
4	VECO	1,671	Anchorage	Oil Field Services
5	BP Exploration (Alaska)	1,477	Anchorage	Oil & Gas Production
6	National Bank of Alaska	1,154	Anchorage	Banking
7	Alyeska Pipeline Service Co.	1,054	Anchorage	Pipeline
8	Trident Seafoods	1,020	Akutan	Seafood Processing
9	Safeway Stores	936	Anchorage	Retail-grocery
10	Ketchikan Pulp Company	924	Ketchikan	Pulp & Lumber Products
11	Alaska Airlines	899	Anchorage	Air Carrier
12	MarkAir	878	Anchorage	Air Carrier
13	Alaska Petroleum Contractors	813	Anchorage	Oil Field Services
14	First National Bank of Anchorage	777	Anchorage	Banking
15	Icicle Seafoods	769	Petersburg	Seafood Processing
16	Alascom	751	Anchorage	Communications
17	All Alaskan Seafoods	732	Kodiak	Seafood Processing
18	Westmark Hotels	726	Anchorage	Hotel
19	Western Health (Fairbanks Memorial Hospital)	667	Fairbanks	Hospital
20	Fred Meyer Shopping Centers	663	Anchorage	Retail-general merchandise
21	Humana Hospital Alaska	657	Anchorage	Hospital
22	Alaska Pulp Corp.	656	Sitka	Pulp & Lumber Products
23	Unisea	655	Unalaska	Seafood Processing
24	Pay'n Save Drug Stores	576	Anchorage	Retail-general merchandise
25	Sears Roebuck & Co.	561	Anchorage	Retail-general merchandise
26	ERA Aviation	538	Anchorage	Air Carrier
27	Alaska USA Federal Credit Union	520	Anchorage	Credit Union
28	Alaska Commercial Co.	510	Anchorage	Retail-general merchandise
29	HC Price	508	Anchorage	Construction
30	Union Oil Co. of California	500	Anchorage	Oil & Gas Production
31	JC Penney	466	Anchorage	Retail-general merchandise
32	Anchorage Times Publishing Co.	447	Anchorage	Newspaper
33	Key Bank of Alaska	445	Anchorage	Banking
34	Anchorage Daily News	444	Anchorage	Newspaper
35	Captain Cook Hotel	426	Anchorage	Hotel

Alaska's Top 100 Employers

(based on 1990 average employment)[a]

Rank	FIRM NAME	Employment	Headquarters or Largest Worksite	Business Activity
36	Tanana Chiefs Conference	421	Fairbanks	Social Services
37	Nordstrom	414	Anchorage	Retail-general merchandise
38	Lamonts	408	Anchorage	Retail-apparel
39	Kinn Enterprises/McDonalds	404	Anchorage	Retail-eating establishment
40	Federal Express	400	Anchorage	Air Courier Services
41	Peter Pan Seafoods	399	King Cove	Seafood Processing
42	Wards Cove Packing Co.	391	Naknek	Seafood Processing
43	Chugach Electric Association	383	Anchorage	Electric Utility
44	Southeast Alaska Regional Health Corp.	383	Juneau	Health Care
45	North Pacific Processors	382	Cordova	Seafood Processing
46	Spenard Builders Supply	379	Anchorage	Trade-Lumber Products
47	Klukwan Forest Products	377	Juneau	Logging
48	Burger King	376	Anchorage	Retail-eating establishments
49	NANA/Marriott Joint Venture	363	Anchorage	Retail-caterer
50	Ogden Allied Facility Mgmt AK	356	Anchorage	Facilities Management
51	Anchorage Hilton	350	Anchorage	Hotel
52	Felec Services	347	Fairbanks	Radar Station Operator
53	Yukon Kuskokwim Health Corp.	345	Bethel	Health Care
54	Salvation Army Alaska Division	344	Anchorage	Social Services
55	Dynair Services	339	Anchorage	Transportation
56	Alaska Sales & Service	330	Anchorage	Motor Vehicle Dealer
57	Pizza Hut	329	Anchorage	Retail-eating establishment
58	Sea-Land Freight Service	323	Anchorage	Shipping & Warehousing
59	Our Lady of Compassion Care Center	320	Anchorage	Health Care
60	Reeve Aleutian Airways	316	Anchorage	Air Carrier
61	Northstore Ventures/7-11	310	Anchorage	Retail-grocery
62	American Guard & Alert	300	Anchorage	Guard Services
63	Sheraton Anchorage Hotel	294	Anchorage	Hotel
64	Laidlaw Transit	288	Anchorage	Transportation
65	Caterair Intl. /c	288	Anchorage	Retail-caterer
66	Greens Creek Mining Co.	288	Juneau	Mining
67	Alyeska Seafoods	286	Unalaska	Seafood Processing
68	Maniilaq Association	285	Kotzebue	Social Services
69	Norton Sound Health Corp.	283	Nome	Health Care
70	Anchorage Cold Storage	274	Anchorage	Wholesale-grocery

Table•1(Cont)

Alaska's Top 100 Employers

(based on 1990 average employment)/a

Rank	FIRM NAME	Employment	Headquarters or Largest Worksite	Business Activity
71	Peak Oilfield Service	271	Prudhoe Bay	Oil field services
72	ARA Leisure Services	267	Fairbanks	Retail-caterer
73	International In-Flight Catering	266	Anchorage	Retail-eating establishments
74	Cominco Alaska	264	Red Dog	Mining
75	Delta Air Lines	264	Anchorage	Air Carrier
76	Market Basket /SuperValu	262	Fairbanks	Retail-grocery
77	Valley Hospital	260	Palmer	Hospital
78	Mayflower Contract Services	258	Anchorage	Bus Charter Services
79	Earth Movers of Fairbanks	258	Fairbanks	Construction
80	Costco Wholesale	255	Anchorage	Retail-general merchandise
81	Hope Cottages	252	Anchorage	Residential Care
82	Matanuska Telephone Association	250	Palmer	Communications
83	Inlet Fisheries	250	Kenai	Seafood Processing
84	Northwest Technical Services	241	Anchorage	Engineering Services
85	Northern Air Cargo	237	Anchorage	Air Courier Services
86	Ketchikan General Hospital	234	Ketchikan	Hospital
87	Conam Construction .	230	Anchorage	Construction
88	Denali Foods /Taco Bell	228	Anchorage	Retail-eating establishments
89	Nabors Alaska Drilling	227	Prudhoe Bay	Oil Field Services
90	Duty Free Shoppers Group Alaska	227	Anchorage	Retail-general merchandise
91	Bristol Bay Area Health Corp.	221	Dillingham	Health care
92	Price Savers Membership Warehouse	220	Anchorage	Retail-general merchandise
93	Golden Frontier Enterprises/McDonalds	220	Fairbanks	Retail-eating establishments
94	King Crab	219	Kodiak	Seafood Processing
95	Enstar Natural Gas	214	Anchorage	Natural Gas Distribution
96	Central Peninsula General Hospital	213	Soldotna	Hospital
97	Telephone Utilities of the Northland	213	Anchorage	Communications
98	AK Specialized Ed. & Training Ctr.(ASETS)	212	Anchorage	Sheltered Workshop/Voc.Rehab.
99	Clarion Lakefront Hotel	209	Anchorage	Hotel
100	Temsco Helicopters	208	Ketchikan	Air Carrier
TOTAL TRENDS 100 EMPLOYMENT		50,527		

a/Firms with identical employment ranked by unrounded employment.
b/included Carr Gottstein Inc. until 10/1/90
c/formerly Marriott Corporation
Source: Alaska Department of Labor, Research and Analysis Section.

Anchorage firms monopolize roster

The Anchorage/MatSu Region has a disproportionately large share of *Trends* 100 employment. Three out of every four jobs are with the major employers in this region. More accurately, Anchorage is where they report employment. Many of them offer employment elsewhere in the state. Of the 66 firms who list Anchorage as their headquarters or largest work site, fewer than half have employment exclusively there.

The four *Trends* 100 firms from the finance sector illustrate this point. All four have headquarters in Anchorage, but all four have branch offices elsewhere in the state. Three of them have branches in four or five of the state's economic regions. The fourth financial institution, National Bank of Alaska, has offices in 30 communities across the entire state. Many transportation, construction and mining companies also have jobs throughout the state although they are counted at their Anchorage headquarters.

Industry share changes little in five years

Figure 1 shows the proportion of *Trends* 100 employment from each industry group. Trade and services businesses account for 44% of this employment. The mining, manufacturing and transportation sectors make up close to half of *Trends* 100 employment, leaving small percentages for costruction and finance firms. Industry share of the *Trends* 100 has changed little over the years. This year's proportions are within 1% of last year's employment shares.

An exception to little change over the long term is the manufacturing sector. Over the past six years, manufacturing firms have gained a larger share of *Trends* 100 employment. Ten of the fifteen manufacturing businesses in this year's list are seafood processors (compared to only two in 1985's list of 50 employers). (See Table 2.) Processing bottomfish and other species has smoothed out the seasonality of seafood processing, and boosted their annual average employment. Three Southeast firms in the wood-products industry (Ketchikan Pulp, Klukwan Forest Products, and Alaska Pulp) and the two Anchorage daily newspapers round out the list of *Trends* 100 manufacturers.

In contrast to the manufacturing industry, the finance sector of the *Trends* 100 has shrunk over time. A smaller *Trends* 100 financial sector reflects the shrinkage of Alaska's financial sector as a whole during the last few years. The four financial institutions appearing in this year's *Trends* 100 made up last

Table • 2

Trends 100 Employers by Industry

	1990 Rank	1989 Rank
MINING		
Alaska Petroleum Contractors Inc.	13	33
ARCO Alaska Inc.	1	1
BP Exploration (Alaska) Inc.	5	5
Cominco Alaska Inc.	74	new
Greens Creek Mining Co.	66	83
Nabors Alaska Drilling Inc.	89	new
Peak Oilfield Service Co.	71	91
Union Oil Co. of California	30	26
VECO Inc.	4	2
CONSTRUCTION		
Conam Construction Co.	87	new
Earth Movers of Fairbanks Inc.	79	new
HC Price Co.	29	42
MANUFACTURING		
Alaska Pulp Corp.	22	28
All Alaskan Seafoods Inc.	17	56
Alyeska Seafoods Inc.	67	58
Anchorage Daily News	34	38
Anchorage Times Publishing Co.	32	31
Icicle Seafoods Inc.	15	13
Inlet Fisheries Inc.	83	67
Ketchikan Pulp Mill	10	7
King Crab Inc.	94	new
Klukwan Forest Products Inc.	47	41
North Pacific Processors Inc.	45	57
Peter Pan Seafoods Inc.	41	35
Trident Seafoods Corporation	8	11
Unisea Inc.	23	25
Wards Cove Packing Co. Inc.	42	51

continued

Table•2(Cont.)

Trends 100 Employers by Industry

TRANSPORTATION, COMMUNICATION & UTILITIES	1990 Rank	1989 Rank
Alascom Inc.	16	14
Alaska Airlines Inc.	11	10
Alyeska Pipeline Service Co.	7	9
Chugach Electric Association Inc.	43	50
Delta Air Lines Inc.	75	63
Dynair Services Inc.	55	44
Enstar Natural Gas Co.	95	91
ERA Aviation Inc.	26	27
Federal Express	40	67
Laidlaw Transit Inc.	64	45
MarkAir	12	12
Matanuska Telephone Association Inc.	82	73
Mayflower Contract Services Inc.	78	66
Northern Air Cargo Inc.	85	87
Reeve Aleutian Airways Inc.	60	55
Sea-Land Freight Service	58	53
Telephone Utilities of the Northland	97	91
Temsco Helicopters	100	95
TRADE		
Alaska Commercial Co.	28	30
Alaska Sales & Service Inc.	56	60
Anchorage Cold Storage Co.	70	64
ARA Leisure Services Inc.	72	64
Burger King	48	38
Carr Gottstein Foods Co./a	2	3
Caterair Intl. Corp./b	65	89
Costco Wholesale Corp.	80	81
Denali Foods Inc./Taco Bell	88	88
Duty Free Shoppers Group Alaska	90	71
Fred Meyer Shopping Centers	20	18
Golden Frontier Enterprises/McDonalds	93	84
International In-Flight Catering Co.	73	76
JC Penney Co.	31	29
Kinn Enterprises/McDonalds	39	32
Lamonts Inc.	38	38
Market Basket Inc./SuperValu	76	69
NANA/Marriott Joint Venture	49	58
Nordstrom Inc.	37	24
Northstore Ventures/7-11	61	48

continued

year's finance sector, also. Although their share of *Trends* 100 employment remains the same, their employment grew 7.5% over 1989, faster than the *Trends* 100 group overall. After losing ground this industry is again growing.

Transportation industry enjoys high growth rate

Like the financial sector, the transportation, communication and utilities industry has the same group of employers in 1991's *Trends* 100 that appeared in 1990. This industry also retains its same share of *Trends* 100 employment at 15%. Another similarity between this group of employers and the four financial institutions is a higher growth rate than the *Trends* 100 as a whole.

There are 12 transportation firms in the *Trends* 100, including such giants (by Alaskan employment standards) as Alyeska Pipeline, Alaska Airlines and MarkAir. The smallest employer to make the *Trends* 100 list, Temsco Helicopter of Ketchikan, is also from the transportation sector.

Health care and hotels overshadow service firms in *Trends* 100

Most industries' *Trends* 100 employment share is similar to their share of all private employment. Services firms have a much smaller piece of the *Trends* 100 employment than they do in the entire private sector (20% vs. 31%). This is because many service firms are small enterprises. Eighty percent of service firms have 10 or fewer employees. The nature of the industry — offering services to individuals and businesses — lends itself to small operations.

There are some services, however, that larger operations provide best because of high capital costs. Hotels and health care facilities are examples of these services. Not surprisingly, five Anchorage-based hotels are in the *Trends* 100 — the Anchorage Hilton, Captain Cook, Clarion, Sheraton, and Westmark. Twelve firms in this group of large employers provide health care. Six of the 11 newcomers to the *Trends* 100 group this year are services firms.

Majority of mining jobs are with *Trends* 100 companies

While services firms have a proportionately smaller share of employment in the *Trends* 100 than in the private sector as a whole, the mining industry is at the opposite end of the spectrum. This industry accounts for only 7% of private employment but grabs a 17% share of employment by Alaska's 100 largest firms. This 17% share represents the majority of mining jobs in Alaska. Figure 2 shows that close to three of every four jobs in the mining industry are with *Trends* 100 employers.

The mining industry's share of *Trends* 100 employment is slightly smaller (by 1%) than last year. The major producers on the North Slope — ARCO Alaska and BP Exploration — both had small decreases in employment in 1990. This trend should continue in 1991 as they consolidate operations at Prudhoe Bay.

Two companies on the list of the Top 10 Movers are from the hard rock mining sector. (See Table 3.) One of them, Greens Creek Mining Company, last year became the first mining firm in the *Trends* 100 which was not in the oil and gas business. This year they moved up several rankings because they are now at full operation of their gold and silver mine near Juneau. Joining them in the *Trends* 100 is another hard rock mining firm which also reached full operation in 1990. Cominco Alaska's employment at their Red Dog lead and zinc mine pushed them into the #74 rank of this year's list.

Trade's share shrinks but remains largest industry in *Trends* 100 list

The trade industry has the largest share of *Trends* 100 employment. Like the mining industry, trade's share of *Trends* 100 employment shrunk 1% in 1990. This is because there is a smaller number of trade firms in the *Trends* 100 this year. The trade industry as a whole has lagged behind other industries in growth during the recovery of the last two years. The list of Alaska's largest employers reflects this trend.

Construction firms vary in *Trends* 100 roster

Construction employment remains at 2% of the *Trends* 100 employment. H.C. Price was also on last year's list; two other construction firms are new to the *Trends* 100. Various construction firms have moved in or out of the roster of large employers as

(Cont.)Table•2

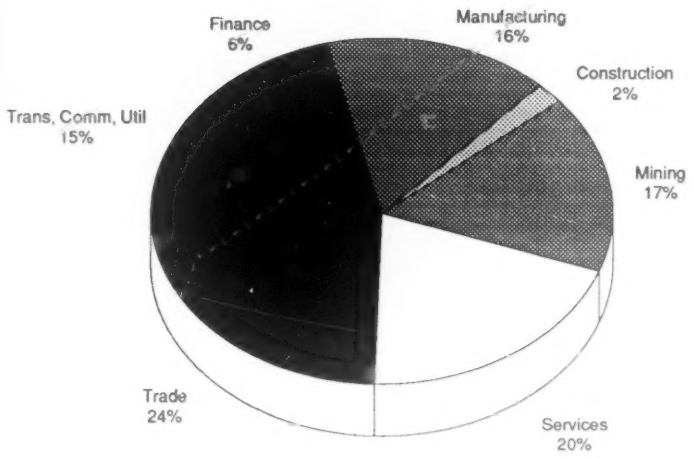
Trends 100 Employers by Industry

	1990 Rank	1989 Rank
Pay'n Save Drug Stores	24	20
Pizza Hut	57	61
TRADE (cont)		
Price Savers Membership Warehouse	92	90
Safeway Stores Inc.	9	8
Sears Roebuck & Co.	25	22
Spenard Builders Supply	46	52
FINANCE, INSURANCE & REAL ESTATE		
Alaska USA Federal Credit Union	27	23
First National Bank of Anchorage	14	15
Key Bank of Alaska	33	37
National Bank of Alaska	6	6
SERVICES		
AK Specialized Ed. & Training Ctr. (ASETS)	98	new
American Guard & Alert	62	new
Anchorage Hilton Corp.	51	46
Bristol Bay Area Health Corp.	91	new
Captain Cook Hotel	35	33
Central Peninsula General Hospital	96	98
Clarion Lakefront Hotel	99	new
Felec Services Inc.	52	43
Hope Cottages Inc.	81	78
Humana Hospital Alaska Inc.	21	19
Ketchikan General Hospital	86	77
Maniilaq Association Inc.	68	68
Northwest Technical Services	84	new
Norton Sound Health Corp.	69	70
Ogden Allied Facility Mgmt AK	50	new
Our Lady of Compassion Care Center	59	54
Providence Hospital	3	4
Salvation Army Alaska Division	54	49
Sheraton Anchorage Hotel	63	61
Southeast Alaska Regional Health Corp.	44	73
Tanana Chiefs Conference Inc.	36	36
Valley Hospital	77	79
Western Health Network Inc. (Fbks Memorial Hosp.)	19	17
Westmark Hotels Inc.	18	16
Yukon Kuskokwim Health Corp.	53	47

Source: Alaska Department of Labor, Research and Analysis Section.

Figure • 1

Trends 100 Employment in 1990 by Industry



Source: Alaska Department of Labor, Research and Analysis Section.

Table • 3

The Top Ten Movers a/

	1990 Rank	1989 Rank
Alaska Petroleum Contractors Inc.	13	33
All Alaskan Seafoods Inc.	17	56
American Guard & Alert	62	-
Caterair Intl. Corp.	65	89
Cominco Alaska Inc.	74	-
Earth Movers of Fairbanks Inc.	79	-
Federal Express	40	67
Greens Creek Mining Co.	66	83
Ogden Allied Facility Mgmt AK	50	-
Peak Oilfield Service Co.	71	91

a/ firms who moved up 15 or more rankings from 1989

Source: Alaska Department of Labor, Research and Analysis Section.

various contracts begin or end. Some mining and transportation firms for example, have relatively stable employment and appear perennially on the *Trends* 100 roster. Construction employment, however, is volatile and so are the construction firms included in the *Trends* 100.

Summary:Diverse *Trends* 100 firms dominate economic growth

The 100 largest employers in Alaska led the strong growth of the state's economy in 1990. Their payroll did not match their employment growth, largely because of the high spill cleanup wages included in last year's *Trends* 100. Their employment climbed 5.3%; payroll only grew 2.3%.

These 100 firms are only 1% of all businesses in Alaska, yet they account for close to 30% of total private sector employment. They range in size from close to 3,000 employees down to 208. ARCO Alaska and BP Exploration, Carr Gottstein and Providence Hospital all appear perennially at the top of the list.

Three of every four jobs with *Trends* 100 employers are counted in the Anchorage/MatSu re-

gion. Many firms, however, have employment spread across the state. Financial institutions, airlines, and construction companies are a few examples.

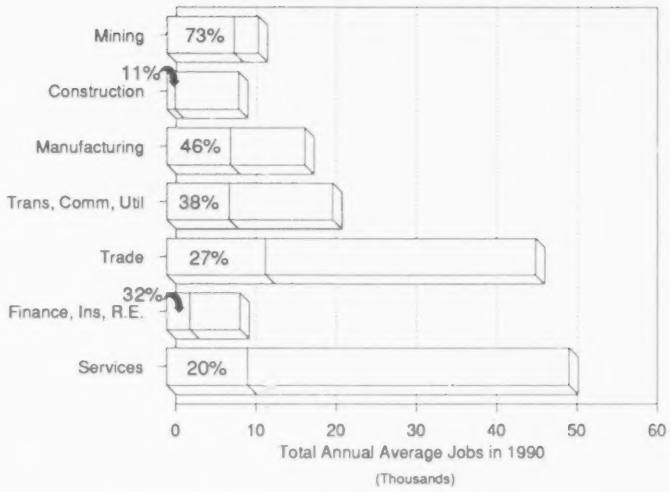
The industry share of *Trends* 100 employment has changed little over the last five years. Seafood processors account for a larger manufacturing share of employment, and the finance sector has shrunk somewhat. These changes mirror Alaska's entire economy. Another change in the *Trends* 100 list that reflects a change in the economy is that hard rock mining firms are gaining in employment.

Two industries have very different proportions of employment in the *Trends* 100 than they do in Alaska's total private sector. Services firms, many of which are small, have a relatively small share of *Trends* 100 employment. The mining industry has a much larger share of *Trends* 100 employment than in the private sector overall. Close to three of every four jobs in the mining industry are with *Trends* 100 firms.

A look at Alaska's 100 largest employers confirms the state is in a period of economic growth. The ingredients are in place for these 100 employers to have a prosperous 1991 and appear again next year in the *Trends* 100 list of Alaska's major companies.

F i g u r e • 2

Trends 100 Share of Industry Employment



Source: Alaska Department of Labor, Research and Analysis Section.

Definitions & Explanations

Employment data were obtained from the unemployment insurance reports which every employer in the state with one or more employees must file. Employment figures reported are the total number of people working during the payroll period which includes the 12th of each month regardless of how many hours they worked.

Annual average employment is calculated by summing the 12 monthly figures reported to the Alaska Dept. of Labor and dividing the total by 12.

Total employment of a parent company will not be captured, and therefore not appear in the Trends 100, if subsidiaries file unemployment insurance reports under separate account numbers.

Confidentiality laws protect employment information. Therefore it was necessary to receive written permission from each employer to publish their employment data. This year, two employers refused to grant permission. The actual Trends 100 would have included two additional services firms, and omitted one services and one transportation firm.

Alaska's 13,467 Other Employers

by Brian N. Rae

Brian Rae is a labor economist with the Research & Analysis Section, Administrative Services Division, Alaska Department of Labor. He is based in Juneau.

The accompanying article in this issue of *Alaska Economic Trends* takes a look at an important part of the state's business environment — the large employers. Although they represent less than one percent of all firms in Alaska, they collectively employ about 30% of all private sector wage and salary workers. To even make the list, a firm needed to employ more than 200 people. Most of the state's employers are much smaller than the *Trends* 100.

Let us assume that you are an average-sized Alaskan employer. You have about 13 people on your payroll at any given time. (See Table 1.) In the beginning of a year, you employ 12 people, but as business increases you add employees. Your employment peaks in July at 15 people, at which point you slowly cut back as business slows with the coming of winter.

Though your firm is only of average size, you still employ more people than most firms. During the 12 months beginning in October 1989 and ending in September 1990, a total of 13,467 firms employed at least one person at some time during this period. Of these firms, more than 10,600 employed fewer than 10 people. (See Table 2.) Your average-sized firm is, by this measure, larger than 80% of all firms in the state. To be in the middle of all firms ranked by size, you would employ only three and one-third employees. Even with your small size, nearly 7,000 other Alaskan firms would employ fewer people. (For details on how employment levels were computed, refer to the "Methodology" sidebar on page 12 of this article.)

Table • 1

Average Monthly Employment for Alaskan Employers
October 1989 through September 1990 [1/]

	Avg. Firm Size	Maximum Employment/Firm Employment	Month	Minimum Employment/Firm Employment	Month	% Change Maximum to Minimum
All Industries	13.3	14.9	July	12.0	Jan	24
Ag, Forestry & Fishing	6.0	7.7	Aug	4.6	Jan	66
Mining	70.0	75.4	June	65.3	Apr	15
Construction	7.1	8.7	Aug	5.1	Jan	70
Manufacturing	36.7	57.0	July	24.1	Dec	137
Seafood Processing	77.0	146.6	July	34.7	Dec	322
Lumber & Wood Products	36.5	46.9	Oct [2/]	21.5	Feb	118
Transportation	19.8	22.2	Aug	17.5	Dec	27
Truck & Warehouse	12.7	13.9	Aug	11.2	Jan	24
Water Transportation	12.6	16.3	Aug	10.2	Jan	61
Air Transportation	37.9	40.4	Aug	34.6	April	17
Communications	32.8	33.6	Nov	31.6	April	6
Utilities	11.5	13.7	June	7.3	Dec	87
Trade	13.6	14.5	Aug	12.9	Jan	12
Wholesale	10.5	11.1	June	9.9	Jan	12
Retail Trade	14.5	15.5	Aug	13.7	Feb	13
General Apparel & Merch.	18.9	21.2	Dec	17.3	April	22
Food Stores	38.1	40.3	Aug	35.7	Dec	13
Eating & Drinking	16.2	17.8	July	15.0	Jan	19
Finance, Ins. & R.E.	11.9	12.1	June	11.6	April	5
Services	10.0	10.7	June	9.4	Jan	13
Hotels & Motels	19.5	25.1	July	16.1	Jan	56

1/ Most recent 12 months of ES-202 data available.
2/ Peak employment in the timber industry normally occurs in June. Because of a downturn in the timber industry which began in late 1989, employment in October of that year was higher than employmentin in June of 1990.

Source: Alaska Department of Labor, Research & Analysis Section.

The "average" firm depends on industry

Saying that the average firm employs 13 people is like saying the average Alaskan household contains 2.9 people. Both statements are true, but finding an example is at best difficult. Average firm size varies widely

Table • 2

Number of Alaskan Firms by Employment Size Class

	Employment Size Class										
	0-4	5-9	10-14	15-19	20-24	25-49	50-99	100-249	250-499	500-999	1000+
All Industries	8,015	2,613	1,018	553	276	547	287	176	52	22	8
Ag, Forestry & Fishing	128	24	11	6	3	3	1	1			
Mining	92	25	12	10	6	13	16	15	2	1	3
Construction	1,123	259	110	46	25	44	20	9	1	1	
Manufacturing	202	87	48	28	19	43	34	24	9	5	1
Seafood Processing	27	11	14	6	7	25	21	14	5	3	1
Lumber & Wood Products	42	12	5	4	5	6	10	7	1		
Transportation	703	207	87	43	31	68	36	24	8	4	1
Trade	1,967	826	321	183	89	160	85	49	15	6	1
Wholesale	434	162	73	35	22	40	17	8	1		
Retail	1,533	664	248	148	67	120	68	41	14	6	1
Finance, Ins.& R.E.	531	140	58	41	14	38	17	6	1	2	1
Services	3,269	1,045	371	196	89	178	78	48	16	3	1

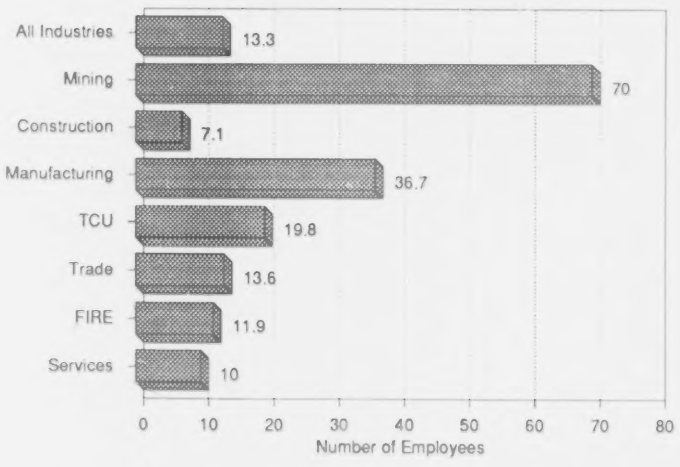
Source: Alaska Department of Labor, Research & Analysis Section.

among the various industries. For example, mining is an industry with many firms in the Top 100 listing -- large scale, labor intensive projects characterize this industry. There are many small mining firms, but a disproportionate number of firms in this industry have employment of 25 or more. The average employment in the mining industry was 70, or more than five times the average for all industries. (See Figure 1.)

Near the opposite end of the spectrum was construction. While mega-projects such as Bradley Lake or pipeline repair work require many employees, small contractors

Figure • 1

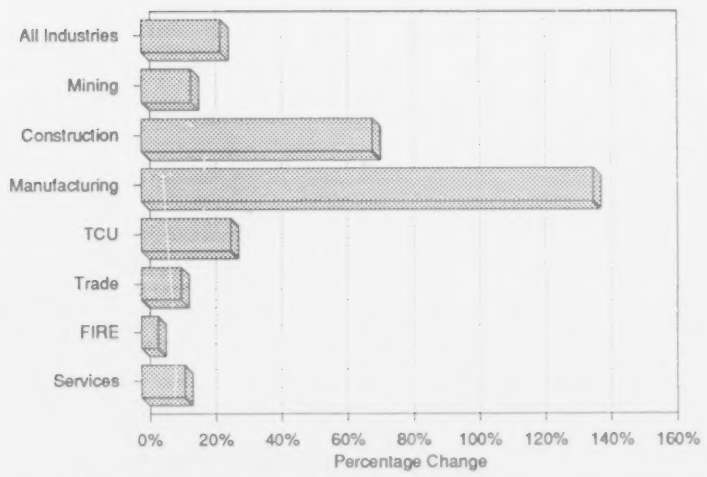
Mining Leads Average Firm Size by Industry



Source: Alaska Department of Labor, Research and Analysis Section.

Figure • 2

Seasonal Fluctuation in Employment by Industry



Source: Alaska Department of Labor, Research and Analysis Section.

with only a handful of employees make up most of the industry. The average construction firm employs only seven people at any time.

Seasonal variations apparent in employment figures

The industries also differ in their employment patterns over the year. To create a measure of seasonal employment change, the percentage increase between the smallest and largest average monthly employment figures was computed in Table 1. A value of 0% means that average employment per firm did not change during the year. A value of 100% would mean that peak employment was twice as high as the minimum average monthly employment recorded in that industry.

Overall, average employment per firm went from 12 in January to 14.9 in July. This is an increase of 24% from the lowest employment month to the highest. (See Figure 2.) The most seasonal industry was seafood processing, where

Methodology

Employment data were extracted from the "Quarterly Employment and Earnings Report" database. All firms subject to state unemployment insurance laws must file a report showing their total payrolls by quarter and their employment during the pay period that includes the 12th day of each month. Not included in this employment database are the self-employed, unpaid family help, domestics, and most persons engaged in agriculture (including seafood harvesting).

The analysis includes only private sector firms. If a single firm had several different stores or worksites, its employment was totaled and allocated to that one firm.

Employment trends were analyzed on a monthly basis, then aggregated to compute the annual figures. Several considerations might keep a firm from being included in the analysis. These include:

- firms found not liable for unemployment insurance payments during a quarter;
- firms having no employment and no payroll during the entire year; and
- firms which did not identify their industry or major activities to the Department of Labor.

The exclusion of these firms decreased the total count of firms in Alaska by nearly 2,000 each quarter. (The total count of firms fell from 14,067 to 12,145 when using this methodology.)

the highest average monthly employment was 322% higher than that of the lowest. As expected, December marked the low point in employment per firm, while July saw the highest employment per firm. Following seafood processing were the lumber and wood products, utilities, and construction industries.

The finance, insurance and real estate industry (FIRE) was the most stable, with only a 5% change in employment over the course of the twelve months. A 5% change is very small. Considering that the lowest and highest employment figures were only two months apart, it is reasonable to say that FIRE shows no seasonal employment pattern.

Trade, services and mining followed FIRE as the industries with the most stable employment throughout the year. Trade shows a seasonal pattern unique among the industries; the industry has two peaks during the year. One occurs during the summer months, consistent with other industries. A second employment peak hits in December with the holiday rush. General merchandise and apparel stores exhibit this trend to the greatest degree — their employment in December being higher than at any month during the summer.

A few large firms, many small ones, none typical

Alaska's large employers are important to the economy. The Trends 100 firms have an average employment of more than 500. The average for all other firms in Alaska is only 9.3, rising to 13.3 only with the inclusion of the Trends 100. The Trends 100 firms account for about 30% of total employment. While this is a very large share, 70% of total employment falls outside of these large firms.

No one can pick the typical Alaskan company. The various industries show vastly different patterns of employment. Both the levels and the seasonal nature of employment are dissimilar among industries, but all share one trait. Throughout all industries, throughout all regions, and throughout the year, the majority of firms in Alaska employ a small number of workers.

1990 Census *Bulletin*

The 1990 census counted all persons living in either households or group quarters (prisons, college dormitories, military barracks, or other institutions).

Alaska's household composition in 1990 did not differ significantly from the U.S., and mirrored national *Trends* during the 1980's. Family households (70.3%) continued to decline while nonfamily households (29.7%) increased. Traditional family households, married couples, declined by almost five percent, from 61.1% in 1980 to 56.2% in 1990. Family households headed by single persons, male or female, grew over twice as fast as those headed by married couples. Nonfamily householders, those living alone (20.1% in 1990) or unrelated persons living together, also continued to gain a larger share of total households possibly due to the elderly living more independently and the young delaying marriage.

Since housing units increased more rapidly (42.9%) than the population (36.9%), there was a decline in Alaskan household size from 2.93 persons in 1980 to 2.80 in 1990. Nationally, the average number of persons living in an occupied unit was 2.63 persons in 1990, down from 2.75 in 1980 and 3.11 in 1970.

Additional information regarding census and demographic chacteristics of the state can be obtained from *Alaska Population Overview*, published annually by the Alaska Department of Labor, Research and Analysis Section.

	1990	1980	Percent Change	1990 % of Total Households -Alaska-	1980 % of Total Households -Alaska-	1990 % of Total Households -U.S.-
TOTAL HOUSING UNITS	232,608	162,825	42.9%			
TOTAL HOUSEHOLDS (Occupied)	188,915	131,463	43.7%	100.0%	100.0%	100.0%
Family Households (families)	132,837	95,564	39.0%	70.3%	72.7%	70.2%
Married-couple families	106,079	80,344	32.0%	56.2%	61.1%	55.1%
Other family, male householder	8,529	4,948	72.4%	4.5%	3.8%	3.4%
Other family, female householder	18,229	10,272	77.5%	9.6%	7.8%	11.6%
Nonfamily Households	56,078	35,899	56.2%	29.7%	27.3%	29.8%
Householder living alone	41,826	26,467	58.0%	22.1%	20.1%	24.6%
Persons per household	2.80	2.93	-4.4%			

Source: Alaska Department of Labor, Research and Analysis Section.

A Notable Moderation In Employment Growth

By Neal Fried

In May Alaska's economy generated 6,300 more jobs than there were in April as Alaska's economy continued its perennial upturn. (See Table 1.) Nearly all of the industries and regions contributed to May's employment climb. Only government did not advance, mainly because both schools and universities were closing for the summer.

On a more temperate note, over-the-year growth (a better gauge of the economy) slowed to 1% in May. (See Figure 1.) This is the slowest employment growth rate since 1988. The growth rate began moderating in 1990 and slowed further in 1991. A myriad of industries and geographic areas contributed to this slowdown in Alaska's employment growth.

Table • 1

Nonagricultural Wage and Salary Employment by Place of Work — Alaska

	p/ 5/91	r/ 4/91	Changes from: 5/90	4/91	5/90
Total Nonag. Wage & Salary	243,100	236,800	240,700	6,300	2,400
Goods-producing	40,300	37,900	40,000	2,400	300
Mining	11,800	11,700	11,200	100	600
Construction	10,300	9,100	10,500	1,200	-200
Manufacturing	18,200	17,100	18,300	1,100	-100
Durable Goods	3,700	3,500	4,400	200	-700
Lumber & Wood Products	2,800	2,700	3,500	100	-700
Nondurable Goods	14,500	13,600	13,900	900	600
Seafood Processing	10,600	9,800	10,100	800	500
Pulp Mills	900	900	900	0	0
Service-producing	202,800	198,900	200,700	3,900	2,100
Transportation	21,400	20,000	20,600	1,400	800
Trucking & Warehousing	2,600	2,500	2,600	100	0
Water Transportation	1,500	1,200	1,500	300	0
Air Transportation	6,600	6,300	6,600	300	0
Communications	3,500	3,500	3,300	0	200
Trade	47,000	45,300	46,600	1,700	400
Wholesale Trade	8,600	8,400	8,200	200	400
Retail Trade	38,400	36,900	38,400	1,500	0
Gen. Merch. & Apparel	5,700	5,700	5,600	0	100
Food Stores	6,700	6,500	6,700	200	0
Eating & Drinking Places	13,600	12,700	13,800	900	-200
Finance-Ins. & Real Estate	10,400	10,300	10,400	100	0
Services & Misc.	52,500	51,100	51,400	1,400	1,100
Hotels & Lodging Places	5,500	5,000	5,300	500	200
Government	71,500	72,200	71,700	-700	-200
Federal	18,400	18,000	19,000	400	-600
State	20,800	22,100	20,800	-1,300	0
Local	32,300	32,100	31,900	200	400

Notes: Prepared in cooperation with the U.S. Bureau of Labor Statistics.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear above are definitionally different from those that appear in the Labor Force table.

Benchmark: March 1990
p/ denotes preliminary estimates *r/ denotes revised estimates*

Source: Alaska Department of Labor, Research & Analysis Section.

Timber, construction and government put a drag on the economy

There were 700 fewer jobs in Alaska's wood products industry this May compared to last May. After four years of strong employment growth, timber employment is falling. The causes are lawsuits, declining timber supplies and new federal legislation. (See article in June 1991 *Alaska Economic Trends*.) The harvest side of the wood products industry took the brunt of the losses. There are signs, however, the timber mills are now beginning to feel the pinch. Chilkoot Lumber of Haines recently announced they were shutting down, putting more than 100 workers out of work. More layoffs are expected. These layoffs in the wood products industry are the major cause for Southeast's poor economic performance. Employment in May in Southeast was 2.7% off from last year levels.

A surprise straggler in May was construction. For the second month in a row construction employment

fell slightly behind 1990's. (See Figure 2.) From a visible standpoint this is difficult to believe. In many communities this spring's road construction detours are a greater nuisance than usual. More residential construction is taking place in many Alaskan towns. If this is the case, how is it possible that overall construction activity was down in April and May?

During the past three years there were a number of large projects which were not in full sight of the public because of their remote locations. Many of them are now completed or nearing completion. One is the Bradley Lake project near Homer. The work force in 1990 at this remote site peaked at 300. Presently employment is 75. The winding down of the Bradley Lake project is also a major contributing factor in the Gulf Coast region's small over-the-year employment loss. (See Table 2.)

The tapering of construction activity on Fairbanks's two military bases is also contributing to the state's smaller construction employment figures. The value of these projects peaked at $180 million in 1989. The value of work in 1991 is less than half that figure. The present overall tepid employment performance in Fairbanks is a partial reflection of the decline in military-related construction.

By May of this year oil pipeline repair activity was not keeping up with last year's level. In addition, the construction phase of three seafood processing plants in Dutch Harbor is complete (or nearly so).

Construction declines—a lull in activity?

It is possible that April and May's soft construction numbers could simply be a temporary lull. For example, the state's capital budget for fiscal year 1992 (which began July 1991) is substantially larger than 1991's. A number of other large projects are just getting underway. They include the new hotel at Alyeska Resort, University of Alaska Anchorage's new classroom building, the new Alaska Railroad headquarters and the Veterans Administration building in Anchorage, the widening of the Glenn Highway in the MatSu Borough, the new Sears and Fred Meyer stores in Fairbanks, and a host of other projects. Construction will be an interesting industry to watch in 1991.

Federal employment declines, state government loses steam

Employment in the public sector was the other major restraint on Alaska's employment growth. The big loss was on the federal level. This is no reflection on the health of the economy. Last year, an army of 850 census enumerators were working on the 1990 census in May. With their work done, this work force disappeared. Other, more permanent, federal civilian employment was up in May. There was also some positive economic news on the federal front for the future. The air force announced that they will upgrade the Elmendorf AFB hospital to serve as the primary air force medical facility in the Pacific theater. This means that more than 200 medical personnel will relocate to Elmendorf this year.

State government employment was unchanged over-the-year. Nonuniversity-related state government employment was actually down in May. This trend is not likely to change. University-related employment growth was large enough to offset these losses. This means state government employment will no longer be the economic prod it was in 1989 and 1990.

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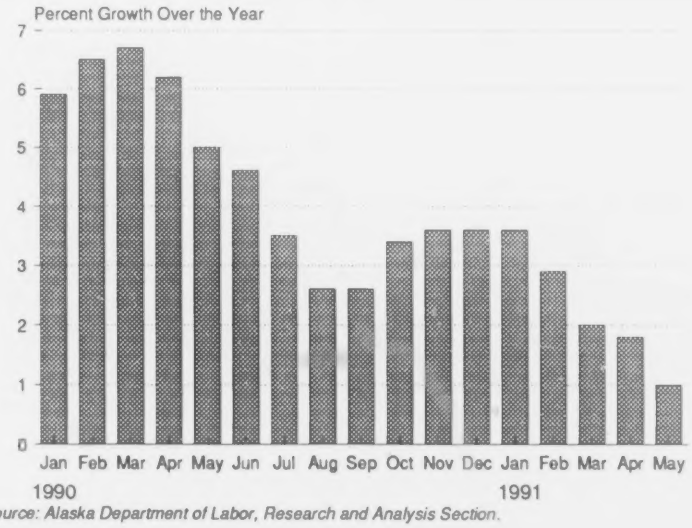
Figure • 1

Alaska Employment Growth Slows



Source: Alaska Department of Labor, Research and Analysis Section.

Table • 2

Nonagricultural Wage and Salary Employment By Place of Work

Municipality of Anchorage

	p/ 5/91	r/ 4/91	Changes from: 5/90	4/91	5/90
Total Nonag. Wage & Salary	113,400	112,350	110,650	1,050	2,750
Goods-producing	12,200	11,700	11,650	500	550
Mining	4,050	4,200	3,800	-150	250
Construction	5,700	5,100	5,500	600	200
Manufacturing	2,450	2,400	2,350	50	100
Service-producing	101,200	100,650	99,000	550	2,200
Transportation	11,600	11,100	11,100	500	500
Trucking & Warehousing	1,650	1,550	1,550	100	100
Water Transportation	400	250	350	150	50
Air Transportation	4,050	4,000	4,050	50	0
Communications	2,100	2,050	1,900	50	200
Trade	26,250	25,900	25,950	350	300
Wholesale Trade	6,000	6,050	5,850	-50	150
Retail Trade	20,250	19,850	20,100	400	150
Gen. Merch. & Apparel	3,000	2,900	3,000	100	0
Food Stores	3,250	3,250	3,200	0	50
Eating & Drinking Places	7,650	7,550	7,650	100	0
Finance-Ins. & Real Estate	6,500	6,450	6,500	50	0
Services & Misc.	30,050	29,750	28,650	300	1,400
Hotels & Lodging Places	2,350	2,450	2,300	-100	50
Government	26,800	27,450	26,800	-650	0
Federal	10,350	10,450	10,550	-100	-200
State	7,550	8,250	7,350	-700	200
Local	8,900	8,750	8,900	150	0

Fairbanks North Star Borough

	p/ 5/91	r/ 4/91	Changes from: 5/90	4/91	5/90
Total Nonag. Wage & Salary	27,750	26,650	27,650	1,100	100
Goods-producing	2,250	1,750	2,450	500	-200
Mining	200	150	200	50	0
Construction	1,450	1,050	1,650	400	-200
Manufacturing	600	550	600	50	0
Service-producing	25,500	24,900	25,200	600	300
Transportation	1,950	1,850	1,950	100	0
Trucking & Warehousing	400	450	450	-50	-50
Air Transportation	450	450	450	0	0
Communications	300	300	300	0	0
Trade	6,350	5,700	6,250	650	100
Wholesale Trade	800	750	750	50	50
Retail Trade	5,550	4,950	5,500	600	50
Gen. Merch. & Apparel	600	550	550	50	50
Food Stores	800	750	800	50	0
Eating & Drinking Places	2,400	1,900	2,350	500	50
Finance-Ins. & Real Estate	800	800	850	0	-50
Services & Misc.	6,250	6,100	6,150	150	100
Government	10,150	10,450	10,000	-300	150
Federal	3,200	3,050	3,250	150	-50
State	4,100	4,500	4,000	-400	100
Local	2,850	2,900	2,750	-50	100

Anchorage-MatSu Region

	p/ 5/91	r/ 4/91	Changes from: 5/90	4/91	5/90
Total Nonag. Wage & Salary	121,050	119,550	117,900	1,500	3,150
Goods-producing	12,700	12,150	12,000	550	700
Mining	4,200	4,300	3,800	-100	400
Construction	5,950	5,350	5,750	600	200
Manufacturing	2,550	2,500	2,450	50	100
Service-producing	108,350	107,400	105,900	950	2,450
Transportation	12,300	11,750	11,800	550	500
Trade	28,200	27,700	27,800	500	400
Finance-Ins. & Real Estate	6,950	6,900	6,900	50	50
Services & Misc.	31,500	31,050	30,050	450	1,450
Government	29,400	30,000	29,350	-600	50
Federal	10,400	10,500	10,700	-100	-300
State	8,350	9,050	8,100	-700	250
Local	10,650	10,450	10,550	200	100

Interior Region

	p/ 5/91	r/ 4/91	Changes from: 5/90	4/91	5/90
Total Nonag. Wage & Salary	32,000	30,500	32,100	1,500	-100
Goods-producing	2,600	2,000	2,800	600	-200
Mining	400	300	400	100	0
Construction	1,550	1,100	1,750	450	-200
Manufacturing	650	600	650	50	0
Service-producing	29,400	28,500	29,300	900	100
Transportation	2,150	2,050	2,200	100	-50
Trade	6,750	6,100	6,700	650	50
Finance-Ins. & Real Estate	900	850	900	50	0
Services	6,950	6,700	6,850	250	100
Government	12,650	12,800	12,650	-150	0
Federal	3,850	3,650	3,950	200	-100
State	4,400	4,750	4,350	-350	50
Local	4,400	4,400	4,350	0	50

Nonagricultural Wage and Salary Employment By Place of Work

Southeast Region

	p/ 5/91	r/ 4/91	Changes from: 5/90	4/91	5/90
Total Nonag. Wage & Salary	33,950	32,650	34,900	1,300	-950
Goods-producing	6,450	6,100	7,100	350	-650
Mining	350	350	350	0	0
Construction	1,250	1,100	1,250	150	0
Manufacturing	4,850	4,650	5,500	200	-650
Durable Goods	2,350	2,300	3,100	50	-750
Lumber & Wood Products	2,300	2,250	3,000	50	-700
Nondurable Goods	2,500	2,350	2,400	150	100
Seafood Processing	1,400	1,250	1,300	150	100
Pulp Mills	900	900	850	0	50
Service-producing	27,500	26,550	27,800	950	-300
Transportation	2,700	2,400	2,650	300	50
Trade	5,550	5,200	5,500	350	50
Wholesale Trade	600	550	600	50	0
Retail Trade	4,950	4,650	4,900	300	50
Finance-Ins. & Real Estate	1,150	1,100	1,150	50	0
Services & Misc.	5,750	5,350	6,000	400	-250
Government	12,350	12,500	12,500	-150	-150
Federal	2,100	2,000	2,150	100	-50
State	5,450	5,600	5,600	-150	-150
Local	4,800	4,900	4,750	-100	50

Gulf Coast Region

	p/ 5/91	r/ 4/91	Changes from: 5/90	4/91	5/90
Total Nonag. Wage & Salary	25,150	23,750	25,250	1,400	-100
Goods-producing	7,200	6,550	7,150	650	50
Mining	1,150	1,100	1,200	50	-50
Construction	1,000	850	1,100	150	-100
Manufacturing	5,050	4,600	4,850	450	200
Seafood Processing	4,050	3,550	3,900	500	150
Service-producing	17,950	17,200	18,100	750	-150
Transportation	2,100	1,950	2,050	150	50
Trade	4,400	4,050	4,350	350	50
Wholesale Trade	600	500	600	100	0
Retail Trade	3,800	3,550	3,750	250	50
Finance-Ins. & Real Estate	600	550	600	50	0
Services & Misc.	4,750	4,600	4,700	150	50
Government	6,100	6,050	6,400	50	-300
Federal	500	450	650	50	-150
State	1,850	1,900	1,900	-50	-50
Local	3,750	3,700	3,850	50	-100

Northern Region

	p/ 5/91	r/ 4/91	Changes from: 5/90	4/91	5/90
Total Nonag. Wage & Salary	14,800	14,600	14,400	200	400
Goods-producing	6,100	5,950	5,900	150	200
Mining	5,650	5,550	5,450	100	200
Service-producing	8,700	8,650	8,500	50	200
Government	4,500	4,550	4,450	-50	50
Federal	250	250	300	0	-50
State	350	350	350	0	0
Local	3,900	3,950	3,800	-50	100

Southwest Region

	p/ 5/91	r/ 4/91	Changes from: 5/90	4/91	5/90
Total Nonag. Wage & Salary	16,400	15,550	16,150	850	250
Goods-producing	5,300	5,000	5,050	300	250
Seafood Processing	4,950	4,700	4,650	250	300
Service-producing	11,100	10,550	11,100	550	0
Government	6,400	6,200	6,450	200	-50
Federal	1,200	1,200	1,250	0	-50
State	550	550	550	0	0
Local	4,650	4,450	4,650	200	0

Notes: Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear above are definitionally different from those that appear in the Labor Force table.

Benchmark: March 1990

p/ denotes preliminary estimates
r/ denotes revised estimates

Source: Alaska Department of Labor , Research & Analysis Section.

Local government was the only level of government still enjoying moderate gains. Most of the gains are a result of burgeoning school district enrollments.

Growth rates moderate for retail trade, services and others

In 1990 Alaska's largest private sector industries, retail trade and services, added 5,600 new jobs to Alaska's labor force. Retail trade employment grew 4.4% in 1990 and services grew at nearly twice that rate. In May 1991, retail trade stopped growing, and service employment managed to inch ahead by only 2.2%.

Like construction, retail's lack of growth could be a temporary lull. New expansion and entry later in the year may boost this industry's employment numbers. A partial list of these new entrants include a Sears and Fred Meyer in Fairbanks, a J.C Penny's in Juneau, a new Carrs store in Kenai, and two new warehouse stores in Anchorage.

The weakest link in the retail trade picture is in its largest sector, eating and drinking. Even in 1989 and 1990 this sector grew minimally as the rest of retail trade soared. It is uncertain why this is happening. Some possible explanations could be a changing demographic picture. More families are having children, which may cut down on visits to restaurants. There may also be fewer visits to drinking places because of this demographic shift. Competition from other sectors could also be taking a bite out of their business. For example, an increasing number of grocery stores are offering prepared foods that compete directly with restaurants.

The loss of foreign air carriers in Anchorage has also put a crimp in retail trade. As a result, Duty Free Shoppers and food caterers have cut their combined work forces by more than 200 employees.

Services, a broadly-defined industry, is no longer the engine of growth it was during the past two years. A healthy tourism season is keeping hotel employment above year-ago levels. Health and engineering services are also areas of strength. But legal, business and other services' employment is flat. Some of the reason for this could be the sluggish personal income picture. By the fourth quarter of 1990 (most recent data) total personal income was no longer growing.

Mining, oil and fishing remain on the fast track

The reopening of Valdez Creek mine in late 1990 is the principal reason for over-the-year employment growth in mining. The mine shut down in late 1989 which meant zero employment there in May of 1990. Presently 165 people are working at the Valdez Creek mine.

Although the oil industry's growth has moderated, it still managed to grow 3.4%. All the growth is in the oil field services portion of the oil industry. Maintenance work and some increase in exploration are propping up oil employment. The oil producers employment has stayed even.

Bottom fishing, crabbing and halibut kept a good portion of the seafood processing industry busier than it was last year. A record opilio crab (also known as snow crab) harvest was taken in the Bering Sea. The black cod fishery proved to be strong in May and the statewide halibut harvest was good. Also boosting the numbers in 1991 are three new plants or expansions operating in Dutch Harbor — Unisea, Westward, and Alyeska Seafoods.

Fish processors are finding plenty of workers this year

Alaska's unemployment rate returned to its pre-April trend — slightly above 1990's. (See Table 4.) The moderation in employment growth and an increase in the number of job seekers is keeping Alaska's unemployment rate higher than last year's. One good indicator of this is the smaller effort Alaska's fish processors are making to recruit workers. Normally at this time of year Alaska's fish processors are beginning to scramble to find enough workers. This year, however, the scramble appears to be absent. Plenty of job seekers are apparently ready and available to work the fishing season.

Summary: Alaska's economy decelerates

Employment in May enjoyed its standard seasonal upswing as the construction, fishing and tourism seasons shifted into high gear. On a less positive note, over-the-year growth was anemic. One has to reach back to 1988 to find equivalent slow rates of growth. The reasons for this slowdown are many.

The principal reason for this moderation is the poor showing in timber, construction and federal government employment. Timber's weakness exists for a number of reasons. Construction's softness exists because of the completion of several large projects. The absence of the 1990 Census work force is the reason why federal government is falling short.

T a b l e • 3

Alaska Hours and Earnings for Selected Industries

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	p/ 5/91	r/ 4/91	5/90	p/ 5/91	r/ 4/91	5/90	p/ 5/91	r/ 4/91	5/90
Mining	$1,141.57	$1,149.60	$1,039.60	49.1	48.0	45.2	$23.25	$23.95	$23.00
Construction	1,057.77	1,047.27	1,147.68	43.8	43.6	48.0	24.15	24.02	23.91
Manufacturing	547.80	571.89	603.90	44.0	49.6	44.8	12.45	11.53	13.48
Seafood Processing	429.40	494.28	444.69	45.2	55.6	45.1	9.50	8.89	9.86
Trans., Comm. & Utilities	605.86	591.22	585.82	34.7	33.9	34.0	17.46	17.44	17.23
Trade	368.81	359.20	348.48	32.9	32.1	32.0	11.21	11.19	10.89
Wholesale	583.47	576.18	565.47	39.8	39.6	37.9	14.66	14.55	14.92
Retail	321.54	310.69	304.00	31.4	30.4	30.8	10.24	10.22	9.87
Finance-Ins. & R.E	389.42	397.80	405.45	33.6	34.0	34.1	11.59	11.70	11.89

Notes: p/ denotes preliminary estimates r/ denotes revised estimates Benchmark: March 1990

Averages are based on data for full- and part-time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

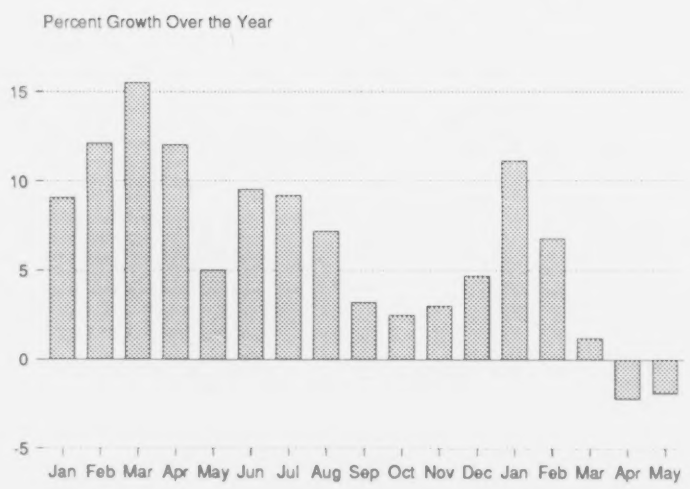
Source: Alaska Department of Labor, Research & Analysis Section.

F i g u r e • 2

Other industries' employment is stagnant or is growing at a slower rate than during the past two years. State government's over-the-year employment level was unchanged in May. The retail trade and services industries, which generated the largest number of new jobs over the previous two years, was either growing slowly or not at all.

On the bright side the mining, oil and fishing industries are still providing some boost to the state's economy. Overall employment is still growing, just not fast enough to absorb the surge of new job seekers.

Alaska Construction Employment Declines January 1990 to March 1991



Source: Alaska Department of Labor, Research and Analysis Section.

Labor Force By Region and Census Area

	Labor Force			Unemployment			Rate %			Employment		
	p/ 5/91	r/ 4/91	5/90	p/ 5/91	r/ 4/91	5/90	p/ 5/91	r/ 4/91	5/90	p/ 5/91	r/ 4/91	5/90
Alaska Statewide	259,561	257,056	257,428	19,822	18,024	18,973	7.6	7.0	7.4	239,739	239,032	238,455
Anch.-MatSu Region	133,796	134,538	130,569	8,995	8,227	8,430	6.7	6.1	6.5	124,801	126,311	122,139
Municip. of Anchorage	117,848	119,080	115,287	6,983	6,416	6,453	5.9	5.4	5.6	110,865	112,664	108,834
MatSu Borough	15,948	15,458	15,282	2,012	1,811	1,977	12.6	11.7	12.9	13,936	13,647	13,305
Gulf Coast Region	31,556	30,148	31,803	3,176	2,744	3,132	10.1	9.1	9.8	28,380	27,404	28,671
Kenai Peninsula Borough	19,392	18,829	19,619	2,003	2,038	2,052	10.3	10.8	10.5	17,389	16,791	17,567
Kodiak Island Borough	7,405	6,628	7,021	779	230	327	10.5	3.5	4.7	6,626	6,398	6,694
Valdez-Cordova	4,759	4,691	5,163	394	476	753	8.3	10.1	14.6	4,365	4,215	4,410
Interior Region	36,183	35,149	36,311	3,648	3,334	3,581	10.1	9.5	9.9	32,535	31,815	32,730
Fairbanks North Star Bor.	31,237	30,321	31,226	3,027	2,735	2,847	9.7	9.0	9.1	28,210	27,586	28,379
Southeast Fairbanks	2,044	1,995	2,094	241	232	280	11.8	11.6	13.4	1,803	1,763	1,814
Yukon-Koyukuk	2,902	2,833	2,991	380	367	454	13.1	13.0	15.2	2,522	2,466	2,537
Northern Region	8,447	8,387	8,336	822	634	857	9.7	7.6	10.3	7,625	7,753	7,479
Nome	3,151	3,135	3,071	362	300	335	11.5	9.6	10.9	2,789	2,835	2,736
North Slope Borough	3,005	3,013	2,957	121	80	128	4.0	2.7	4.3	2,884	2,933	2,829
Northwest Arctic Borough	2,291	2,239	2,308	339	254	394	14.8	11.3	17.1	1,952	1,985	1,914
Southeast Region	35,831	35,463	36,737	2,406	2,380	2,219	6.7	6.7	6.0	33,425	33,083	34,518
Haines Borough	931	878	892	136	91	71	14.6	10.4	8.0	795	787	821
Juneau Borough	15,819	15,647	16,274	703	686	664	4.4	4.4	4.1	15,116	14,961	15,610
Ketchikan Gateway Bor.	6,770	6,692	6,920	576	561	523	8.5	8.4	7.6	6,194	6,131	6,397
Pr. of Wales-Outer Ketch.	2,795	2,758	2,868	330	318	322	11.8	11.5	11.2	2,465	2,440	2,546
Sitka Borough	4,104	4,069	4,229	167	172	163	4.1	4.2	3.9	3,937	3,897	4,066
Skagway-Yakutat-Angoon	1,743	1,747	1,809	204	224	220	11.7	12.8	12.2	1,539	1,523	1,589
Wrangell-Petersburg	3,669	3,672	3,745	290	328	256	7.9	8.9	6.8	3,379	3,344	3,489
Southwest Region	13,748	13,371	13,672	775	705	754	5.6	5.3	5.5	12,973	12,666	12,918
Aleutians East Borough	957	932	957	7	5	11	0.7	0.5	1.1	950	927	946
Aleutians West	2,689	2,621	2,689	28	23	40	1.0	0.9	1.5	2,661	2,598	2,649
Bethel	5,312	5,151	5,246	395	350	350	7.4	6.8	6.7	4,917	4,801	4,896
Bristol Bay Borough	507	515	517	5	25	17	1.0	4.9	3.3	502	490	500
Dillingham	2,464	2,415	2,477	115	121	138	4.7	5.0	5.6	2,349	2,294	2,339
Wade Hampton	1,819	1,737	1,786	225	181	198	12.4	10.4	11.1	1,594	1,556	1,588

Notes: p/ denotes preliminary estimates
r/ denotes revised estimates
Benchmark: March 1990

- Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey in formulas used to allocate federal funds.
- Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor.
- The official definition of unemployment currently in place excludes anyone who has made no attempt to find work in the four-week period up to and including the week that includes the 12th of each month. Most Alaska economists believe that Alaska's rural localities have proportionately more of these discouraged workers.
- The employment numbers that appear above are definitionally different from those that appear in the Nonagricultural Wage & Salary Employment tables.

Source: Alaska Department of Labor, Research & Analysis Section.

Alaska Economic Regions

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